GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2668
ANSWERED ON:02.08.2016
Notice to Pharma Companies
Devi Smt. Veena

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether notices have been issued to the pharmaceutical companies which neglect the price policy announced by the Government in the country;

(b) if so, the details thereof; and

(c) the names of the pharmaceutical companies which are charging more than the fixed prices of drugs from the consumers?

Answer

MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS, MINISTRY OF SHIPPING AND MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA)

(a): Yes Madam,

(b): Since inception of National Pharmaceutical Pricing Authority (NPPA), 1435 demand notices have been issued to pharmaceutical companies for overcharging on the sale of formulations as on 31.05.2016 {(1275 cases under Drugs (Prices Control) Order, 1995 (DPCO 1995) & 160 cases under Drugs (Prices Control) Order, 2013 (DPCO 2013)}. These demand notices are for a total amount of Rs.4929.48 crore (Rs.4853.68 crore under DPCO 1995 & Rs.75.80 crore under DPCO 2013). Rs.386.85 crore has been deposited by the companies to Government (Rs 317.86 crore under DPCO 1995 & Rs 68.99 Core under DPCO, 2013). An amount of Rs 3715.74 crore is under litigation.

(c): The Detailed list of overcharging cases where demand notices have been issued uploaded on NPPA website www.nppa.nic.in. Name of the companies, in descending order of pending overcharged amount (under DPCO, 1995 and DPCO, 2013 are annexed.

<> Summary of Top 10 Companies in respect of overcharging cases under DPCO 1995
Sl. No. Name of Company (M/s.) Total overcharged amount (Rs. in crore) Recovered amount since inception (Rs. in crore) Outstanding amount (Rs. in crore)
1 M/s. Cipla Ltd. 576.67 0 576.67
2 M/s Cipla Ltd. 471.03 0 471.03
3 M/s Cipla Ltd. 88.49 0 88.49
4 M/s Cipla Ltd. 372.64 0 372.64
5 M/s Cipla Ltd. 184.57 0 184.57
6 M/s Cipla Ltd. 143.82 0 143.82
7 M/s Cipla Ltd. 901.01 0 901.01
8 M/s Cipla Ltd. 89.91 0 89.91
9 M/s Johnson & Johnson Pvt. Ltd. 436.07 0 436.07
10 M/s Johnson & Johnson Pvt. Ltd. 196.2 0 196.2
Total 3460.41 0 3460.41

Summary of Top 10 Companies in respect of overcharging cases under DPCO 2013.
Sl. No. Name of Company (M/s.) Total overcharged amount (Rs. in crore) Recovered amount since inception (Rs. in crore) Outstanding amount (Rs. in crore)
1 M/s. Biological E. Ltd. 33.28 8.32 24.96
2 M/s Franco Indian Pharmaceuticals Pvt. Ltd 8.96 0.00 8.96
3 M/s Reliance Life Sciences. 4.10 0.00 4.10
4 M/s Akumentis Healthcare. 3.72 0.00 3.72
5 M/s Neon Laboratories Ltd. 2.89 0.00 2.89
6 M/s IPCA Labs Ltd. 2.32 0.00 2.32
7 M/s EncubeEthicals/ Golderma India 2.01 0.00 2.01
8 M/s Abbott Healthcare Pvt Ltd. 1.60 0.00 1.60
9 M/s Abbott Healthcare Pvt Ltd. 1.21 0.00 1.21
10 M/s Tidal Labs Pvt. Ltd 1.00 0.00 1.00

61.09 8.32 52.77
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